

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON,
APPROVING AN AMENDMENT TO A MUNICIPAL SERVICES AGREEMENT WITH SOUTH
PUGET SOUND HABITAT FOR HUMANITY FOR ENERGIZE THURSTON 2025 SUBSIDIZED
PATHWAY PROGRAM ADMINISTRATION**

WHEREAS, The Thurston Climate Mitigation Plan and Olympia’s 2021 Greenhouse Gas Emissions Reduction Strategy Analysis both identify the importance of accelerating energy efficiency and building decarbonization retrofits to achieve local and regional greenhouse gas emissions reduction targets; and

WHEREAS, The Thurston Climate Mitigation Collaborative (TCMC) is an ongoing partnership among Thurston County and the Cities of Olympia, Lacey, and Tumwater to identify and implement actions to reduce local sources of greenhouse gas emissions that contribute to global climate change; and the TCMS was formalized through a December 2023 Interlocal Agreement; and

WHEREAS, in 2024 the Thurston Climate Mitigation Collaborative completed background research and stakeholder engagement to design the “Energize Thurston” Heat Pump Group Purchase Program, and launched Energize Thurston in March of 2025; and

WHEREAS, Energize Thurston will expand on the City of Olympia’s 2023-2024 “Energize Olympia” program by providing discounted and streamlined installations of efficient heat pump space heaters and heat pump water heaters to residents throughout Thurston County, as well as subsidized installations for qualifying low- and moderate-income (LMI) residents; and

WHEREAS, providing energy-efficient heat pump retrofits to low- and moderate-income households directly supports energy equity by removing the barrier of high up-front costs for equipment and installation, reducing long-term energy bills as well as providing co-benefits such as access to cooling, improved indoor air quality and reduced risk of carbon monoxide or nitrogen dioxide leaks; and

WHEREAS, South Puget Sound Habitat for Humanity co-developed the initial design of the 2023-2024 Energize Olympia Programs with the City of Olympia, and has supported the implementation of previous Energize Olympia programs, including administering more than 170 subsidized heat pump installations for LMI households in Olympia, supporting marketing and outreach efforts, and leveraging state grant funds to provide additional subsidized installations; and

WHEREAS, The Olympia City Council has determined it to be in the best interest of the City of Olympia and its residents for South Puget Sound Habitat for Humanity to continue to administer subsidized heat pump installations for qualifying Olympia residents as a part of the 2025 Energize Thurston Program; and

WHEREAS, on January 22, 2025, the City and South Puget Sound Habitat for Humanity entered into a Municipal Services Agreement (“Agreement”); and

WHEREAS, as originally executed, the term of the Agreement was to expire on June 30, 2025, with compensation not to exceed Five Hundred Eighty-One Thousand Four Hundred and Eighty-Three and No/100 Dollars (\$581,483.00); and

WHEREAS, the Agreement also provides that any amendment to the Agreement must be in writing and signed by both parties; and

WHEREAS, the City applied for and was awarded \$122,030.00 of United States Department of Energy Efficiency and Conservation Block Grant funding to administer rebates for heat pump water heater retrofits; and

WHEREAS, on June 04, 2025, the Agreement was amended (Amendment No. 1) to increase the compensation to an amount not to exceed Seven Hundred Three Thousand Five Hundred Thirteen and No/100 Dollars (\$703,513.00), to expand the scope of work, and to extend the contract to December 31, 2025; and

WHEREAS, the City and the South Puget Sound Habitat for Humanity now want to amend the Agreement again to increase the budget and extend the term of the contract to June 30, 2026;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE as follows:

1. The Olympia City Council hereby approves Amendment No. 2 to the Municipal Services Contract between the City of Olympia and South Puget Sound Habitat for Humanity for Energize Thurston 2025 Subsidized Pathway Program Administration, and the terms and conditions contained therein.
2. The City Manager is authorized and directed to execute on behalf of the City of Olympia the Amendment No. 2 to the Municipal Services Contract, and any other documents necessary to execute said amendment, and to make any amendments or minor modifications as may be required and are consistent with the intent of the Agreement and the Amendment No. 2, and to correct any scrivener's errors.

PASSED BY THE OLYMPIA CITY COUNCIL this _____ day of _____ 2025.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

Michael M. Young

SENIOR DEPUTY CITY ATTORNEY